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SUBJECT: ARAB TELECOM REGULATORS NETWORK: READY FOR PRIME

TIME?

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- 11. (SBU) SUMMARY: The Jordanian Telecommunications Regulatory Commission (TRC) hosted the first preparatory meeting for the Arab Telecommunications Regulators Network (ATRN) on August 28-29 in Amman, Jordan. Delegates from twelve countries created a permanent Secretariat and produced a series of recommendations for the organizational and operating structure of the ATRN. While the TRC pushed to create an ATRN that would strengthen and harmonize progressive telecommunications policy across the region, strong statements from countries with state-owned monopolies brought into question the ability of the network to produce substantial productive outcomes. END SUMMARY
- 12. (U) An ITU Regional meeting in Algiers in April 2003 created the ATRN to support regulators in the Arab region in the implementation of independent, transparent regulation of the telecommunications sector. The TRC hosted the first preparatory meeting hosted in Amman on August 28-29 with representatives from Algeria, Kuwait, Sudan, Saudi Arabia, Yemen, Mauritania, Syria, United Arab Emirates, the Palestinian Authority, Morocco and Egypt with observers from the ITU and Iraq. (Note: The TRC initially invited the CPA, but later rescinded their invitation allegedly due to pressure from Algeria and Sudan. Instead, representatives from the Iraqi Post and Telecommunications Commission were granted observer status.) The TRC invited EconOff to observe the meeting. The ATRN meeting divided members into four working groups to discuss the aims and responsibilities of the ATRN, outline a strategic plan, financial issues, and the networks proposed organizational structure after which a plenary session was held to discuss the recommendations.
- 13. (U) Jordan had hoped that the recommendations of the working groups would have laid the groundwork for a standalone organization governed by an elected board and supported by annual membership fees. However, as chair of the meeting, Jordan was significantly constrained from making strong interventions on these points during discussions. Morocco and Algeria dominated the Preparatory Meeting with active support from Saudi Arabia and Mauritania. (Note: Syria was the only delegation that repeatedly intervened with arguments in support of Jordan's views.)
- 14. (U) The results of the deliberations are recommendations that the organization have no legal existence and be cochaired by the past, present, and future President countries of the General Assembly of Parties. The network will have no institutional identity outside of the Permanent Secretariat which will be funded by and based in Algeria. While the ATRN has no legal authority over its members, delegates did give the Secretariat the ability to represent Arab regulators at international fora. The Saudi delegate made a push to make the ATRN a functional area of the Arab League, however the proposal was quickly opposed by the Jordanian delegation.
- 15. (SBU) The ATRN will hold annual meetings of the General Assembly, where the host government will hold seminars and training workshops. Decisions at the ATRN will be made with a two-thirds majority. (Note: The majority of the delegates are representatives from ministries with state owned telecom monopolies. Consequently, countries with more progressive telecommunications policies will be outnumbered during voting.) There will be no membership fees and, therefore, no budget. However, individual delegates are responsible for their own expenses. Attendance to future ATRNs will be limited to delegates from regulatory agencies or equivalent regulatory staff from Telecommunications Ministries. IT associations and outside parties may attend as observers based on written request to the Secretariat. (Comment: Given the Algerians' role as Permanent Secretariat and their role in restricting CPA's participation, further U.S. participation is uncertain.)
- 16. (U) During the next ATRN meeting in Amman in March 2004, delegates will vote on the recommendations made during this meeting. Jordan will prepare a strategic plan for the network for debate at the next meeting. Algeria stated its

intention to have a Secretariat in place by March 2004.

17. (SBU) COMMENT: The first preparatory meeting of the ATRN was both a major step forward and a disappointment. The ATRN provides a needed organizational framework where participating countries can share regulatory information. A USAID-financed consultant who helped develop the meeting's agenda told Econoff that Jordan plans to draft the strategic plan with the underlying themes of harmonization of best practices, telecom liberalization and the creation of an open investment climate. However, the significant role and representational authority given to the Government of Algeria is worrisome. The delegate from Kuwait expressed his disappointment to EconOff that the ATRN would not provide the government of Kuwait with the technical assistance needed to modernize its telecommunications practices. Jordan's leadership during the formative stages of the ATRN is crucial to making the ATRN a vehicle for productive reform in the region. End COMMENT GNEHM